

PAYSON CITY  
CITY COUNCIL MEETING  
Payson City Center, 439 W Utah Avenue, Payson UT 84651  
Wednesday, August 3, 2016 6:00 p.m.

CONDUCTING Mayor Richard Moore

ELECTED OFFICIALS Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton

STAFF Dave Tuckett, City Manager  
Sara Hubbs, Finance Director/Recorder  
Mark Sorenson, City Attorney  
Travis Jockumsen, Dev. Serv. Director/City Engineer, PW Director  
Kim Holindrake, Deputy Recorder  
Brad Bishop, Police Chief  
Karl Teemant, Recreation Director  
Kim Lefler, Communities That Care Coordinator

OTHERS Max Fredricks – Scout, Rhett Huff, Lou Balamis – Chamber, Burtis Bills, Lee Johnson, Ron Packard, Doris O’Connor, Dennis O’Connor, Adam Cowie, Brent Huff, Brian Baker – Zions Bank Public Finance

This meeting of the City Council of Payson City, Utah, having been properly noticed, was called to order at 6:07 p.m.

A. PRAYER & PLEDGE OF ALLEGIANCE

Prayer offered by Brian Hulet

Pledge of Allegiance led by Scout Maximus Fredricks

B. CONSENT AGENDA

1. Approval of July 20, 2016 Payson City Council Meeting Minutes

**MOTION: Councilmember Hardy - To approve the Consent Agenda.** Motion seconded by Councilmember Welton. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

C. PETITIONS, REMONSTRANCES, & COMMUNICATIONS

1. Public Forum

Rhett Huff stated the Payson Lions Club is rolling forward on the 1 million pennies for the Payson library. They have many events planned in the future to raise \$10,000 to help with the remodel at the Payson library with a teen space to feed their minds. They accept checks and cash of any denomination for the 1 million pennies. He is excited with all the city’s events that are happening and the Tour of Utah was amazing. It brings good publicity. He is looking forward to the salmon supper.

Mayor Moore thanked Mr. Huff for doing the pennies for the library. He has put a lot of time into it. Mayor Moore encouraged residents to contribute.

Kerry Morton stated the sky festival was a great success and was great to attend. He is also grateful for the initiative for recycling.

Public forum closed.

## 2. Council and Staff Reports

Dave Tuckett introduced Kim Holindrake as the Development Services Administrative Assistant and Deputy Recorder.

### Staff Reports

**POLICE** - Chief Bishop reported there were 87 arrests, 144 offenses, 281 citations, 343 violations, 1,088 calls for service, 1 DUI, 355 traffic stops, and 24 accidents.

**PUBLIC WORKS** - Director Travis Jockumsen stated everyone should be aware of the situation up at the lake. The city has used over 250 million gallons of pressurized irrigation water this year. The high line will be upped since the lake is unusable until that situation is fixed. He will keep an eye on it and see if the lake can be used later. Labs results should be available in the next day or two. Dave Tuckett reported that some of the testing may have to go to Florida, which takes five days. He hopes the initial tests will be good. Water is not being brought down from the lake so there is no concern for residents. The city released information on Facebook and the Everbridge Communication system. Residents can also sign up with the Payson Lakes Group. Travis Jockumsen reported that Utah Avenue will be paved next week, and work is progressing on 100 South. Both projects are moving quickly.

**COMMUNITIES THAT CARE** - Kim Lefler reported that the strengthening families program begins on September 8<sup>th</sup> at Payson Junior High from 6 to 8:30 p.m. Dinner will be provided. The back to school backpack giveaway is August 6<sup>th</sup> from 10 am to noon. The program assists families with backpacks, school supplies, and clothing. A free lunch will be provided for all the children attending. Parents must bring their child with them to receive the backpacks. She requested that if anyone knows of any families who needs this service to please let them know. Two members of the Youth City Council were in attendance, Stockton Hyre and Briana Bartholomew who are both in 8<sup>th</sup> grade. Briana attends Payson Junior High and Stockton attends Mount Nebo Junior High. Ms. Lefler will be attending the school open house events to get more youth involved. She has found that speaking to the moms is helpful in encouraging students to participate.

**RECREATION** – Recreation Director Karl Teemant thanked the community for Tour of Utah. It was a great race. Lachlan Morton won stage three again. He receives another pair of boots and said he will get another color because he wears them all the time. Director Teemant thanked the community and staff for the many months of meetings and items to support the Tour of Utah. The salmon supper is this weekend on Friday, August 5<sup>th</sup>. Tickets can be purchased at the city or any local bank. He noticed the youth are padding up for football, which is just beginning.

## Council Reports

Councilmember Hulet thanked those working with the Tour of Utah as well as the volunteers and staff. He thanked staff and Dave Tuckett for taking care of the algae issue so well in getting information out so it wasn't a big mess with the public. The news release was mild. He requested results from the concert. Sara Hubbs reported the results will be ready after tomorrow.

Councilmember Hulet requested that next year it be advertised when dinner ticket sales will close. He tried to purchase tickets and was unable to get them. He tried to get ABC 4 News to come down for the Tour of Utah today. He is going up there tomorrow and will do a small interview about the salmon supper.

Councilmember Carter thanked everyone involved with the Tour of Utah today. She appreciated the hard work.

Councilmember Welton stated the staff is doing an incredible job. The Tour of Utah was great, and he looks forward to the upcoming salmon supper. He was watching Fox Sports and saw a commercial for the Tour of Utah highlighting Payson City. It was gorgeous. He would like to see consistency and have the Tour of Utah every year. It is good for the community. The advertising is good, and it's a cheap way to advertise. Some may be frustrated but the Tour is a great thing.

Councilmember Hardy stated the Tour of Utah was well done. He thanked the staff and volunteers who put in a lot of time. The event was very well organized. He has been watching TV a lot the last few weeks with police being shot down. He appreciates both the Payson police and fire departments and all they do for residents. They need a big shout out, and they work hard. The park will be ready for the salmon supper on Friday. He is very excited for the event. The Chamber is doing a #1 job. He welcomed former city councilmember Kim Hancock to the meeting.

Mayor Moore reported staff is working through water issues and ironing things out with the algae at the lake. The Street Department is doing a great job downtown. Curbing was completed today in front of the fire station, and the street will soon be paved. The city received a plaque from the Tour of Utah, Mayor Moore presented the plaque to Dave Tuckett for the wall of trophies. He thanked everyone who helped with the Tour. Dave Tuckett thanked Mayor Moore for attending the Tour. Steve Miller with the Larry H. Miller Group presented the plaque to the Mayor. They are grateful for the work Payson puts in and like being here. He will look at starting discussions with them for future Tour events.

### 3. Scout Attendance Certificates (6:27 p.m.)

Councilmember Mike Hardy presented Maximus Fredricks a scout attendance certificate.

### 4. Chamber Business of the Month

Lou Balamis reported the Chamber is keeping busy. The next movies in the stars is on Friday, August 19<sup>th</sup> with the showing of the Minions. The Chamber merged with Santaquin City and will participate in the rodeo this weekend as a fund raiser.

Lou Balamis presented Rory Adams with Farmers Insurance with the Business of the Month Award. Mr. Adams accepted the award and voiced his appreciation. He has been here for 6.5 years and loves the community and Payson City.

#### D. PUBLIC HEARING

1. Public Hearing regarding an ordinance setting the real and personal property tax levy for municipal purposes and adopting a budget for Payson City for the fiscal year beginning July 1, 2016 and ending June 30, 2017

**MOTION: Councilmember Hardy – To go into the public hearing.** Motion seconded by Councilmember Welton. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

#### Public Hearing

Sara Hubbs stated we are here to discuss the increase in property taxes. There are a few minor changes to the budget. The parks budget was increased \$2,000 to engrave the park names that were just adopted a couple months ago and then \$2,000 for a park study. The Solid Waste Department has a loader that needs to be replaced, which will be covered with excess revenue in the department. She showed a list of capital projects that were postponed. Because property values increased, the certified tax rate was dropped to .001192. The truth in taxation proposal is to keep the current .00128 rate. If the rate is increased, the city council can determine where the funds will be used. She showed a pie chart indicating the entities that make up a resident's property taxes. The Nebo School District takes 76.3% where the city is only 10.6%.

Councilmember Hulet questioned the ordinance language where the Finance Director is authorized to increase appropriations for revenues.

Sara Hubbs stated every city is different. Provo City doesn't require appropriations to go back to the city council. The finance director has the authority to make adjustments when revenues come in for a specific purpose because it's a wash. This language can be changed. This language was in the budget last year. She still brings everything to the Council for review.

Burtis Bills stated he doesn't see the truthfulness in raising taxes. The Nebo School District is taking a high percentage, and they will raise it and get more. He doesn't see the need for the raise. Utilities have been raised over and over again, which he sees as a taxation. The County sent out a letter stating what his tax will be this fall, and both of his properties increased by \$200. It is quite a chunk of change. Many elderly residents are on fixed incomes, and it's difficult for them. Five, ten, or twenty bucks is a big deal. He doesn't see it justified just because you can.

Lee Johnson stated he is trying to understand the purpose of the tax increase and where the funds will be spent. The city isn't going in the right direction when doubling the sewer rate on the citizens, and it's not charged to all those using the facility. This raises taxes on the back of a lot of individuals who don't have the funds. We all need to tighten our belts and spend the money wisely. The city needs to use funds to get the best value. The city needs to pull the reigns back; get the private sector to fund items. Power rates increased from 8 cents to 12 cents with a promise it would

come down when the bond was paid off. The increase was supposed to be temporary. His power bill is still quite high compared to other cities. The bond was paid off, but he was told the funds will be invested elsewhere. Citizens don't know where those funds are going. Businesses are using much more electricity. The city needs to lure new businesses in. He asked the Council to look at this and find funds elsewhere.

Ron Packard said he moved to the city two years ago. He previously served as a mayor and council member in another community. He has no comments on the tax proposal. He wants to know the other sources of revenue for the city. There is the department of transportation, sales taxes, fees and fines, and property taxes that can be used. He wants to know the percentage of property taxes and other sources. The city needs to balance its sources of revenue. Sara Hubbs showed the breakdown of revenues with 54% as sales tax and 18% as property tax. Mr. Packard continued when proposition 13 was passed in California, they had to find a way to balance revenues. He determined about ¼ from sales, ¼ from property taxes, ¼ from fines/fees/other, and ¼ transportation taxes. This way a major source couldn't be taken away that was a detriment to the city.

Doris O'Connor agreed with the two previous gentlemen. Her property taxes have increased \$400 in last four years, \$100 per year. If it goes up the same in the next four years, she won't be able to afford to live in Payson. There are many seniors in the city with fixed budgets. Fees keep going up; utility fees, water fees, and now pressurized irrigation metering. She just wants to know when this will stop. If it doesn't stop, many seniors will have to go live elsewhere. Please stop and think if these things are necessary and where the funds are going. She loves the town and loves living here.

Sara Hubbs showed a graph of where Payson City stands compared to other cities with taxes. Tax statements are very misleading because the largest percentage is from Nebo School District. Next Wednesday at 6 p.m., the District is having a truth in taxation hearing that the public can attend and voice concerns.

Mayor Moore stated the District is asking for another 16%.

Dennis O'Connor asked when do taxes stop. Taxes go up but never down. There must be a lot of money spent for chiefs instead of Indians. The school teachers don't benefit from the tax increases. He doesn't understand it. When is enough, enough.

Councilmember Welton stated the city is high on electric but very low on water. When you put it all together, Payson City isn't taxing any more than any other community. The city is high in some areas and low in others. He clarified that one school bond is ending, which will drop taxes significantly. But the new bond may raise taxes up again but not as high.

Adam Cowie said he has lived here for 11 years and loves Payson. He enjoys the amenities. He has two boys working at the pool as lifeguards. His family enjoys the programs and activities. This is a moderate increase, and he's happy to pay it. He works in Utah County as a city manager. He understands the situation and the courage to bring up the issue. The noticing requirements have been excellent.

Rhett Huff stated he has attended many council meetings regarding budgets. Money is tight when you're on a fixed income. The city has tried to control and keep taxes down, and this has hurt the

city. Just look at the infrastructure and roads. You can't cut any more from the budget. He is fine paying the increase. He would like to see it higher to see an investment in the city. The public hearing for the District needs to be attended. The District is killing us.

Councilmember Carter stated the increase seems high, but we went for many years with no increase in taxes. She has lived here for 40+ years. She can't remember taxes being raised. The city can't function as a city without a little extra. Payson is lower on the charts than most cities.

Lee Johnson questioned looking at taxes and percentages. The city needs to look at everything comparing apples to apples. The city needs to compare utility fees, power, water, storm drain, sewer rate, and garbage with the other cities for an educated discussion.

Councilmember Welton stated the electric study is being done on the electric plant on September 17<sup>th</sup>.

Mayor Moore stated the city has tried to be very transparent on taxes and utilities rates. The budget is on the front page of the web site including charts and graphs.

Sara Hubbs stated the comparison numbers came from Provo City because she didn't want anyone to feel she manipulated the numbers in the city's favor. Payson is close to average or below. Employees took a hit this year having to pay more for health insurance and received no raises. The city has tried to cut and has been very cautious. The city is trying to be fiscally responsible. The tax rate is the same; the increase is because of the increase in home values.

**MOTION: Councilmember Carter – To close the public hearing.** Motion seconded by Councilmember Hardy. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

#### Council Discussion:

Councilmember Hulet stated the Council will be discussing the refinancing of three bonds to save \$80,000 per year. The Council is trying to be very wise stewards of the funds. There are many projects needing to be done that have been put off. The city is behind and needs to catch up. He thanked those here tonight expressing their opinions.

Councilmember Hardy stated the problem is that for 40 years there has been no property tax increase until last year and funding sources get out of balance. He considers this tax increase because the city is out of balance. The day may come when Payson City residents say we want to reduce our utilities and it is put to a public vote. We talk about roads that need attention. The infrastructure under Main Street is over 100 years old. The infrastructure has to be repaired before the roads can be repaired. The swimming pool was financed in the last decade out of sale tax revenue. The cost is \$700,000 per year. It should have gone to the voters asking if they wanted a pool. It's an amenity. Because it wasn't done right 10 years ago, the city has a \$700,000 bill every year. Those funds can't be used for roads and other projects. He would like to see the truth in taxation process every year to balance things out. He thinks residents are paying too much in utility rates. Currently the economy and housing is great. When the recession came, 30% of the city income went down. Staff was laid off. There have been no staff raises for four years. The city is losing good staff because our wages are low. This increase is very minor compared to the Nebo

School District. He doesn't want to see services go away. The city will be in big trouble if things aren't balanced out. He doesn't want to see services go away. If the city doesn't start making a change and balancing things out, the next recession will be very difficult.

Councilmember Phillips stated the biggest problem is the Nebo School District. The city council made a mistake when it voted for a pool. It should have been put before the residents. The infrastructure under roads need to be fixed before the roads can be repaired. We have to solve the big picture.

Councilmember Welton stated he wished a decision had been made on where the funds would be used before this meeting. Sewer rates have been brought up. Twenty years ago the city did sewer upgrades. Upgrades need to be done about every 20 years so the city needs to save for the future. He would like to put the truth in taxation funds in reserve for future. Funds haven't been set aside over the last 50 years. The city needs to set aside funds, plan for the future, and not work from a crisis point. He urged residents to email him with suggestions and concerns.

Mayor Moore stated this Council needs to work things out and move forward.

**MOTION: Councilmember Hardy – To approve and accept the budget as presented and the certified tax rate.** Motion seconded by Councilmember Phillips. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Mike Hardy
Yes	-	Brian Hulet
Yes	-	Scott Phillips
Yes	-	Doug Welton

## E. RESOLUTIONS, ORDINANCES, AGREEMENTS

### 1. Agreement – Temporary Uses on Utah County Parcel 30-027-0066 (Flying J)

#### Staff Presentation:

Dave Tuckett stated this item is an extension from the last council meeting where the uses were approved. The agreement has been completed. He spoke to the developer who didn't have a problem with the agreement, and they are ready to go.

#### Council Discussion:

Councilmember Hardy expressed that he doesn't want this to turn into an eyesore. It's good to work with the applicant and to clean up the area.

Dave Tuckett stated he added language in the agreement that they will have to follow the beautification ordinance. Also that the building would need to be torn down before the business can start.

**MOTION: Councilmember Phillips – To approve the agreement for the temporary use of the Flying J properties.** Motion seconded by Councilmember Hardy. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

2. Resolution – Approving Water Transfer & Banking Agreement Between Payson City & Winterton Family Living Trust

Staff Presentation:

Dave Tuckett reported that the Winterton family approached the city years ago. The well water can be used for culinary uses. The family is asking if the water can be transferred to the city and then they would get a credit when developing their property. If they choose not to develop, they could sell the water to another developer. The city has done this in the past. The city doesn't get involved if they sell to another developer. The best water for secondary irrigation use is the strawberry surface water. Drinking water is also required for development and can sometimes be hard to find. This will give the city more water than can be pumped in the wells and is beneficial long term. Once the water is transferred to the city, it can't be given back.

**MOTION: Councilmember Hulet – To approve the resolution approving the water transfer agreement between Payson City Corporation and Winterton Family Living Trust.** Motion seconded by Councilmember Hardy. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

3. Resolution - Adopting the Opinion Question language and authorizing the submittal of the Opinion Question for the November ballot to the election official (7:22 p.m.)

Council Discussion:

Councilmember Hulet stated the park tax or RAP tax goes to the citizens for a vote. If approved the funds come to the city. It is a one-cent sales tax of every \$10 purchased of non-grocery items that will go into the park tax fund. The funds can only be used for parks, arts, and recreation.

**MOTION: Councilmember Hulet – To approve the resolution for the opinion question for the ballot for November and send to the election official at the County.** Motion seconded by Councilmember Phillips. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

4. Resolution – Interlocal Agreement with Utah County Regarding the Implementation of the Strengthening Families Program

Staff Presentation:

Kim Lefler reported that this grant was written last November and approved in December. The first session has already been completed. A new grant will be written in November. The city will receive \$15,000 that will be spent in the city on families and is a benefit to the community.

**MOTION: Councilmember Hardy – To approve the resolution for an interlocal cooperative agreement between Utah County and Payson City for the Community Prevention Services.** Motion seconded by Councilmember Carter. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.



5. Resolution – A Resolution of the City Council of Payson City, Utah (the “Issuer”), Authorizing the Issuance and Sale of Not More Than \$8,100,000 Aggregate Principal Amount of Sales Tax Revenue Refunding Bonds, Series 2016

Staff Presentation:

Dave Tuckett stated he met with Brian Baker with Zions Bank Public Finance. Bond rates are at historic levels. The city is looking to refinance three bonds to get a lower interest rate. Less the cost of refinancing, the city will save annually \$23,000 on the sewer bond, \$42,793 on the sales tax revenue bond, and \$11,000 on the water revenue bond. If rates jump up, the city doesn't have to follow through on the refinancing.

Brian Baker stated the notice was published in the paper indicting the city's interest to refinance. No public hearing is required for refinancing bonds. There have been discussions over the last seven years on low interest rates, which have continued to get lower. The sales tax revenue bonds were issued two years ago and sold through direct purchase. The sewer and water bonds were also sold through direct purchase. This means the bonds can be paid off at any time. If there is a savings of more than 3%, it's good to review. Together it makes sense to refinance the three bonds. The sewer bond was issued in 2010, the water bond in 2012, and the sales tax bond in 2014. The same footprint is kept for each debt, meaning if it is a 17-year bond the time frame begins at 17 again. Each resolution has parameters such as the sales tax bond has parameters of 8.1 million with a maximum of 10 years. These are not the final numbers but the outer parameters of what it might be.

Council Discussion:

Councilmember Hulet stated it is great that these can be refinanced.

**MOTION: Councilmember Phillips – To approve the resolution authorizing the issuance and sale of not more than \$8,100,000 aggregate principal amount of sales tax revenue refunding bonds, series 2016, and authorize the Mayor to sign.** Motion seconded by Councilmember Hardy. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Mike Hardy
Yes	-	Brian Hulet
Yes	-	Scott Phillips
Yes	-	Doug Welton

6. Resolution – A Resolution of the City Council of Payson City, Utah (the “Issuer”), Authorizing the Issuance and Sale of Not More Than \$3,100,000 Aggregate Principal Amount of Sewer Revenue Refunding Bonds, Series 2016

**MOTION: Councilmember Phillips – To approve the resolution authorizing the issuance and sale of not more than \$3,100,000 aggregate principal amount of sewer revenue refunding bonds, series 2016 and authorize the Mayor to sign.** Motion seconded by Councilmember Hardy. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
-----	---	--------------

Yes - Mike Hardy  
Yes - Brian Hulet  
Yes - Scott Phillips  
Yes - Doug Welton

7. Resolution – A Resolution of the City Council of Payson City, Utah (the “Issuer”), Authorizing the Issuance and Sale of Not More Than \$3,100,000 Aggregate Principal Amount of Water Revenue Refunding Bonds, Series 2016

**MOTION: Councilmember Phillips – To approve the resolution authorizing the issuance and sale of not more than \$3,100,000 aggregate principal amount of water revenue refunding bonds, series 2016 and authorize the Mayor to sign.** Motion seconded by Councilmember Hardy. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter  
Yes - Mike Hardy  
Yes - Brian Hulet  
Yes - Scott Phillips  
Yes - Doug Welton

#### F. ADJOURN TO REDEVELOPMENT AGENCY

**MOTION: Councilmember Hardy – To adjourn to the Redevelopment Agency.** Motion seconded by Councilmember Welton. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

1. Public Hearing – 2016-2017 Fiscal Year Budget Adoption

**MOTION: Councilmember Carter – To open the public hearing.** Motion seconded by Councilmember Welton. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

#### Public Hearing

Sara Hubbs presented the fiscal year 2017 Redevelopment Agency tentative budget. The budget is to pay Walgreens a portion of their sales tax back.

No public comments were made.

**MOTION: Councilmember Phillips – To close the public hearing on the RDA.** Motion seconded by Councilmember Hulet. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

**MOTION: Councilmember Phillips – To approve the budget for the RDA for FY2017.** Motion seconded by Councilmember Hardy. A roll call vote was taken as follows and the motion carried.

Yes - Linda Carter

Yes - Mike Hardy  
Yes - Brian Hulet  
Yes - Scott Phillips  
Yes - Doug Welton

#### G. ADJOURNMENT OF REDEVELOPMENT AGENCY

**MOTION: Councilmember Hardy – To adjourn from the Redevelopment Agency and reconvene to the City Council meeting.** Motion seconded by Councilmember Welton. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

#### H. OTHER

##### 1. Discussion Regarding East Side Plan

##### Staff Presentation:

Dave Tuckett stated this item was discussed at the last council meeting with Mr. Haskell. There was discussion about setting up a joint meeting with Elk Ridge following further review of the plans and discussion. This document has the 300-acre rule for annexation. The 300-acre rule wasn't just the Allred Family. There is a group of property owners stating they wanted 300 acres in the plan. There are some who want to develop and others who don't want to develop. Everyone can be invited to attend a meeting.

##### Council Discussion:

Councilmember Welton stated the 300-acre rule meant there couldn't be development because the Allreds owned the property and wouldn't give it up. There needs to be a lower acreage requirement. He loves the orchards and wants to protect that space. He feels Payson is being held hostage as a buffer zone, which may not be on purpose. He would do the same, but it's not the city's job to be the buffer zone at the cost of development. Private owners want to develop and are being held hostage.

Councilmember Hardy agreed with lowering the acreage requirement but felt all the participants need to be brought to the table. He has spoken to the Allreds since the last meeting who are passionate about what they have now. The Allreds were surprised that the city is having discussions. There needs to be a public hearing with the Planning Commission or with the city Council prior to a meeting with Elk Ridge. A work session would work as well.

Councilmember Hulet stated he doesn't want people to be hostages so some areas can't be annexed. There is no agreement with Elk Ridge City or any people.

Mayor Moore stated they need a work session with everyone interested in the area attending before any decisions are made. Then there can be a discussion with Elk Ridge City. The majority will rule. He noted people buy in the county to be in the county.

Councilmember Phillips stated it needs to be landowner driven.

Dave Tuckett stated it is important for staff to know the direction of the Council and whether the focus is on the west or south sides of the city. On the next 5<sup>th</sup> Wednesday, the open house can be held from 6-7 p.m. with a work session from 7-8:30 p.m. for discussion on the east side.

I. ADJOURNMENT TO CLOSE SESSION (7:50 p.m.)

**MOTION: Councilmember Welton – To go into closed session.** Motion seconded by Councilmember Hardy. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Mike Hardy
Yes	-	Brian Hulet
Yes	-	Scott Phillips
Yes	-	Doug Welton

(five-minute recess)

**MOTION: Councilmember Phillips – To adjourn the closed session.** Motion seconded by Councilmember Hulet. A roll call vote was taken as follows and the motion carried.

Yes	-	Linda Carter
Yes	-	Mike Hardy
Yes	-	Brian Hulet
Yes	-	Scott Phillips
Yes	-	Doug Welton

**MOTION: Councilmember Phillips – To reconvene to the City Council meeting.** Motion seconded by Councilmember Hulet. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried. (8:40 p.m.)

J. ADJOURNMENT

**MOTION: Councilmember Phillips – To adjourn the meeting.** Motion seconded by Councilmember Hulet. Those voting yes: Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips, Doug Welton. The motion carried.

The meeting adjourned at 8:43 p.m.

\_\_\_\_\_  
/s/ Kim E. Holindrake  
Kim E. Holindrake, Deputy City Recorder